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Jimmy Berry

Independent Audit and Advisory Services Provider

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,¹

Debtors.

)
)
) Chapter 11

)
) Case No. 18-23538 (RDD)

)
) (Jointly Administered)
)

**EIGHTH COMBINED MONTHLY FEE STATEMENT OF DELOITTE & TOUCHE LLP
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS INDEPENDENT AUDITOR AND ADVISORY SERVICES PROVIDER TO
THE DEBTORS FOR THE PERIOD
FROM JULY 1, 2019 THROUGH AUGUST 31, 2019**

Name of Applicant:

Deloitte & Touche LLP

Authorized to Provide Services as:

Independent Audit and Advisory Services
Provider to the Debtors

Date of Retention:

Effective *Nunc Pro Tunc* to October 15,
2018 by Order entered January 22, 2019

Period for which Compensation and
Reimbursement is Sought:

July 1, 2019 through August 31, 2019

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Amount of Compensation Sought as Actual, Reasonable, and Necessary: \$ 28,780.00

80% of Fees Sought: \$ 23,024.00

Amount of Expense Reimbursement Sought: \$ 0.00

Total Amount of Fees and Expense Reimbursement Sought as Actual, Reasonable and Necessary (100%): \$ 28,780.00

20% Holdback Amount: \$ 5,756.00

PRIOR FEE APPLICATIONS FILED

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
03/15/19 Dkt. 2855	10/15/18 – 11/30/18	\$1,411,044.00	\$20,031.02	\$1,128,835.20	\$20,031.02
04/03/19 Dkt. 3025	12/01/18 – 12/31/18	\$580,935.00	\$11,451.92	\$464,748.00	\$11,451.92
04/15/19 Dkt. 3221	01/01/19 – 01/31/19	\$173,211.50	\$9,300.27	\$138,569.20	\$9,300.27
04/15/19 Dkt. 3222	02/01/19 – 02/28/19	\$159,580.00	\$6,371.45	\$127,664.00	\$6,371.45
07/08/19 Dkt. 4447	03/01/19 – 03/31/19	\$80,195.50	\$0.00	\$64,156.40	\$0.00
07/17/19 Dkt. 4548	04/01/19 – 05/31/19	\$8,790.00	\$0.00	\$7,032.00	\$0.00
08/05/19 Dkt. 4736	06/01/19 – 06/30/19	\$2,380.00	\$0.00	\$1,904.00	\$0.00

CUMULATIVE TIME SUMMARY BY PROFESSIONAL

For the Period from July 1, 2019 through August 31, 2019

Out of Scope Audit Services

Professional	Level	Rate	Hours	Fees
Barton, Trevor	Partner/Principal	\$600.00	0.5	\$300.00
Berrill, Liz	Partner/Principal	\$600.00	2.5	\$1,500.00
Feller, Jon	Managing Director	\$600.00	3.5	\$2,100.00
Garrett, Brad	Partner/Principal	\$600.00	0.7	\$420.00
Goldberg, Rob	Managing Director	\$600.00	2.2	\$1,320.00
Kohn, Barry	Partner/Principal	\$600.00	2.5	\$1,500.00
Anderson, Jenifer	Senior Manager	\$500.00	1.8	\$900.00
Lauret, Kyle	Senior Manager	\$500.00	30.6	\$15,300.00
Berland, Taylor	Manager	\$400.00	6.9	\$2,760.00
Thompson, Kara	Manager	\$400.00	0.7	\$280.00
Nanda, Priyanka	Manager	\$160.00	15.0	\$2,400.00
Professional Subtotal :			66.9	\$28,780.00

CUMULATIVE FEES BY CATEGORY SUMMARY

For the Period from July 1, 2019 through August 31, 2019

Categories	Hours	Fees
Out of Scope Audit Services	66.9	\$28,780.00
Fee's Category Subtotal :	66.9	\$28,780.00

Sears Holdings Corporation

Deloitte & Touche LLP

Fees Sorted by Category for the Fee Period

July 01, 2019 - August 31, 2019

Date	Description	Rate	Hours	Fees
<i>Out of Scope Audit Services</i>				
07/22/2019				
Lauret, Kyle	Prepare initial agenda of discussion topics regarding working paper review access to successor auditors.	\$500.00	1.1	\$550.00
07/23/2019				
Berland, Taylor	Review request for workpaper access by successor auditor in accordance with auditing standards.	\$400.00	0.6	\$240.00
Berrill, Liz	Research requirements related to providing workpaper access.	\$600.00	1.0	\$600.00
Lauret, Kyle	Update (to consider additional discussion points) initial agenda of discussion topics regarding working paper review access to successor auditors.	\$500.00	0.3	\$150.00
Lauret, Kyle	Review request for workpaper access by successor auditor in accordance with auditing standards.	\$500.00	2.1	\$1,050.00
07/24/2019				
Barton, Trevor	Review request for workpaper access by successor auditor in accordance with auditing standards.	\$600.00	0.5	\$300.00
Berland, Taylor	Discuss firm policy related to workpaper access reviews with K. Lauret, J. Berry, and E. Berrill (Deloitte).	\$400.00	0.7	\$280.00
Berrill, Liz	Discuss firm policy related to workpaper access reviews with K. Lauret, J. Berry, B. Garrett, T. Barton, R. Young and B. Goldberg (Deloitte).	\$600.00	1.0	\$600.00
Garrett, Brad	Discuss firm policy related to workpaper access reviews with K. Lauret, J. Berry, and E. Berrill (Deloitte)	\$600.00	0.7	\$420.00
Goldberg, Rob	Discuss firm policy related to workpaper access reviews with K. Lauret, J. Berry, and E. Berrill (Deloitte).	\$600.00	0.7	\$420.00

Sears Holdings Corporation

Deloitte & Touche LLP

Fees Sorted by Category for the Fee Period

July 01, 2019 - August 31, 2019

Date	Description	Rate	Hours	Fees
<i>Out of Scope Audit Services</i>				
07/24/2019				
Lauret, Kyle	Discuss firm policy related to workpaper access reviews with K. Lauret, J. Berry, and E. Berrill (all Deloitte).	\$500.00	0.7	\$350.00
Thompson, Kara	Review request for workpaper access by successor auditor in accordance with auditing standards.	\$400.00	0.7	\$280.00
07/25/2019				
Lauret, Kyle	Draft summary of successor auditors workpaper access request to provide to the Audit Committee of Sears Holdings Corporation.	\$500.00	1.4	\$700.00
07/26/2019				
Lauret, Kyle	Update draft summary of successor auditor workpaper access request to provide to the Audit Committee of Sears Holdings Corporation.	\$500.00	0.4	\$200.00
08/09/2019				
Anderson, Jenifer	Coordinate with J. Feller (Deloitte) on Sears workpaper access review for successor auditor.	\$500.00	0.5	\$250.00
Lauret, Kyle	Provide instructions to T. Berland (Deloitte) on next steps related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.9	\$450.00
08/12/2019				
Lauret, Kyle	Provide instructions to P. Nanda (Deloitte) regarding Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.9	\$450.00
08/15/2019				
Lauret, Kyle	Draft memorandum documenting procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	3.9	\$1,950.00

Sears Holdings Corporation

Deloitte & Touche LLP

Fees Sorted by Category for the Fee Period

July 01, 2019 - August 31, 2019

Date	Description	Rate	Hours	Fees
<i>Out of Scope Audit Services</i>				
08/16/2019				
Berland, Taylor	Create the letters to coordinate workpaper access review to successor auditors.	\$400.00	2.3	\$920.00
08/19/2019				
Berland, Taylor	Prepare letters that gives consent to share Deloitte audit workpapers with successor auditor.	\$400.00	2.7	\$1,080.00
Lauret, Kyle	Review draft listing of working papers in the Kmart Puerto Rico Ops audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.9	\$450.00
Lauret, Kyle	Review draft listing of working papers in the Sears Protection Company Puerto Rico audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	1.1	\$550.00
Lauret, Kyle	Review draft listing of working papers in the Kmart Puerto Rico audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.9	\$450.00
Lauret, Kyle	Review draft listing of working papers in the Sears Puerto Rico Ops audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.9	\$450.00
Lauret, Kyle	Draft memorandum documenting procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.8	\$400.00

Sears Holdings Corporation

Deloitte & Touche LLP

Fees Sorted by Category for the Fee Period

July 01, 2019 - August 31, 2019

Date	Description	Rate	Hours	Fees
<i>Out of Scope Audit Services</i>				
08/19/2019				
Lauret, Kyle	Review draft listing of working papers in the Sears Puerto Rico audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.9	\$450.00
08/20/2019				
Berland, Taylor	Prepare the letter where successor auditor acknowledges the review of access to Deloitte's working papers.	\$400.00	0.6	\$240.00
Berrill, Liz	Meet with B. Kohn (Deloitte) to discuss successor auditor access to workpapers	\$600.00	0.5	\$300.00
Feller, Jon	Create workpaper review plan for successor auditor.	\$600.00	0.8	\$480.00
Kohn, Barry	Meet with E. Berrill (Deloitte) to discuss successor auditor access to workpapers	\$600.00	1.5	\$900.00
Lauret, Kyle	Began to coordinate logistics related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	1.9	\$950.00
Lauret, Kyle	Revise memorandum documenting procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	1.3	\$650.00
08/21/2019				
Lauret, Kyle	Review updated listing of working papers in certain statutory audit files as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.7	\$350.00
08/22/2019				
Anderson, Jenifer	Prepare audit file for successor auditor review.	\$500.00	1.3	\$650.00

Sears Holdings Corporation

Deloitte & Touche LLP

Fees Sorted by Category for the Fee Period

July 01, 2019 - August 31, 2019

Date	Description	Rate	Hours	Fees
<i>Out of Scope Audit Services</i>				
08/23/2019				
Feller, Jon	Continue planning for workpaper access by successor auditor in accordance with auditing standards.	\$600.00	0.5	\$300.00
Nanda, Priyanka	Prepare statutory audit workpaper review of Sears File for granting access to successor auditor.	\$160.00	6.0	\$960.00
08/26/2019				
Feller, Jon	Review Plan for Workpaper Preparation for successor auditor inspection.	\$600.00	0.7	\$420.00
Lauret, Kyle	Additional revisions based on reviewer comments (B. Garrett, R. Young, B. Kohn, all Deloitte) to memo documenting procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.8	\$400.00
08/27/2019				
Kohn, Barry	Review Plan for Workpaper Preparation for successor auditor inspection.	\$600.00	0.5	\$300.00
Lauret, Kyle	Review draft listing of working papers in the Sears Holdings fiscal 2017 audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	0.6	\$300.00
Lauret, Kyle	Review draft listing of working papers in the Sears Holdings fiscal year 2018 interim review files as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	2.2	\$1,100.00
Nanda, Priyanka	Prepare draft listing of fiscal 2018 working papers for successor auditors	\$160.00	1.0	\$160.00

Sears Holdings Corporation

Deloitte & Touche LLP

Fees Sorted by Category for the Fee Period

July 01, 2019 - August 31, 2019

Date	Description	Rate	Hours	Fees
<i>Out of Scope Audit Services</i>				
08/28/2019				
Goldberg, Rob	Review of memo regarding access successor auditor access to successor auditor, and review of client authorization letters and successor auditor access letters.	\$600.00	1.5	\$900.00
Lauret, Kyle	Draft additional updates based on reviewer comments (K. Thompson, R. Goldberg, all Deloitte) to memorandum documenting procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor	\$500.00	2.3	\$1,150.00
Nanda, Priyanka	Prepare draft listing of statutory audit working papers for successor auditors.	\$160.00	3.0	\$480.00
08/29/2019				
Feller, Jon	Review workpaper index for submission to Corporate Team for successor auditor.	\$600.00	1.5	\$900.00
Kohn, Barry	Review of memo regarding access successor auditor access to successor auditor, and review of client authorization letters and successor auditor access letters.	\$600.00	0.5	\$300.00
Lauret, Kyle	Review draft listing of working papers in the Sears Savings Plans audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	2.2	\$1,100.00
Nanda, Priyanka	Make edits to client authorization letter for successor auditor review.	\$160.00	2.0	\$320.00
08/30/2019				
Lauret, Kyle	Review updated draft listing of working papers in the Sears Holdings Corporation audit file as part of procedures and considerations related to Sears Holdings' request to provide working paper access to successor auditor.	\$500.00	1.4	\$700.00

Sears Holdings Corporation

Deloitte & Touche LLP

Fees Sorted by Category for the Fee Period

July 01, 2019 - August 31, 2019

Date	Description	Rate	Hours	Fees
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Out of Scope Audit Services

08/30/2019

Nanda, Priyanka	Make additional edits to memorandum documenting procedures around successor auditor workpaper reviews.	\$160.00	3.0	\$480.00
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Subtotal for Out of Scope Audit Services:			66.9	\$28,780.00
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Total			66.9	\$28,780.00
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Recapitulation

Name	Rate	Hours	Fees
Barton, Trevor	\$600.00	0.5	\$300.00
Berrill, Liz	\$600.00	2.5	\$1,500.00
Feller, Jon	\$600.00	3.5	\$2,100.00
Garrett, Brad	\$600.00	0.7	\$420.00
Goldberg, Rob	\$600.00	2.2	\$1,320.00
Kohn, Barry	\$600.00	2.5	\$1,500.00
Anderson, Jenifer	\$500.00	1.8	\$900.00
Lauret, Kyle	\$500.00	30.6	\$15,300.00
Berland, Taylor	\$400.00	6.9	\$2,760.00
Thompson, Kara	\$400.00	0.7	\$280.00
Nanda, Priyanka	\$160.00	15.0	\$2,400.00